

Community Colleges Funding in the Executive Budget

Overall, the EB increases state funding to the Community Colleges by more than 20% from the true base in the state's budgeting system (MBARS) which does not reflect reversions. These increases are significantly higher than what the MUS campuses received in state support increases.

State Funding Increases					
	FY 2006 (Base)	FY 2008 EB Recomm.	% Inc.	FY 2009 EB Recomm.	% Inc.
C.C. ¹	6,823,254	8,237,813	21%	8,399,972	23%
MUS	123,579,694	134,371,656	9%	138,339,837	12%

¹ FY 2006 base was adjusted for \$659,162 in reversions.

The Budget Office dealt with the funding for the Community Colleges after establishing a tuition CAP plan for the MUS.

- Abbreviated discussions were held a month before the Executive Budget was released.
- Our objective was to treat the Community Colleges fairly in arriving at a budget proposal.

e Budget Office chose the following method for funding the Community Colleges:

Cost Based

- Used the higher of the 3 Yrs or Actual for Enrollment and grew enrollment about 1%.
- Grew the Operating Budgets from the base year by 8% for FY 2008 and additional 1% for FY 2009. Same calculation as the MUS education Units
- Reduced this increase by the anticipated FY 2007 Tuition and Mill Levy increases. These estimates were conservative.
- Funded 95% of the "net increases" with state funds.
- Also funded 95% additional state share of Pay Plan for Community Colleges in HB 13.
- Remaining 5% is intended to be paid by non-resident tuition.

We believed that our proposal provided the most solid and stable funding package for the community college to be able to CAP tuition.

Also, the budget deadline arrived before the community colleges could get firm commitments from their respective board of trustees. Therefore, the community colleges have not agreed, as the MUS has, that they will CAP tuition should the legislature appropriate these funds.